

WEEKLY ECONOMIC REVIEW

April 5, 2007

Employment in Alberta remained virtually unchanged in March. In the first quarter of 2007, employment increased by 104,200 or 5.7%, with all gains coming from full-time jobs. Alberta's unemployment rate increased slightly to 3.6% in March from February's 3.5%, as labour force increased by 2,000. Strong job growth continues to put pressure on Alberta's wage rate, which rose by 5.7% in March from a year ago.

Canada's employment gain was almost 55,000 in March, continuing the upward trend that began in September 2006. However, the unemployment rate remained unchanged at 6.1% in March, as more people entered the labour market. Despite the strong gains in employment, Canada's wage rate slowed to 2.2% in March from a year ago.

The Canadian dollar rose on the news of a stronger-than-expected job growth in March.

Alberta's building permits plunged by 15.1% in February, the first double-digit decrease since April 2006. Declines were recorded in both residential (-17.9%) and non-residential (-10.2%) permits. Year-to-date growth, however, remains strong at 23.7%

Canadian building permits dropped by 22.4% in February, the sharpest decline in 13

Cdn Dollar (C\$/US\$)

Apr 5, 2007	86.9¢
Mar 30, 2007	86.7¢
2007-08	86.5¢

WTI Oil US\$/bbl

Apr 4, 2007	\$64.38
Mar 29, 2007	\$66.03
2007-08	\$64.99

Nymex Natural Gas C\$/mcf^{*} April Contract

Apr 5, 2007	\$8.72
Mar 30, 2007	\$8.87

^{*}Estimate based on Nymex Futures Market Price

months, as both residential and non-residential permits posted sharp declines.

The average of 293 rigs were drilling in Alberta, down almost 46% from a record level of 540 in March 2006. In the first quarter of 2007, the average number of rigs drilling declined by 25% from the same period a year ago.

The Institute of Supply Management reported that the U.S. service and manufacturing sectors expanded at a slower pace in March than in February.

Oil prices slipped by US\$1.65 to US\$64.38 in the wake of the release of the British marines. Nonetheless, prices remained above the pre-crisis level of around US\$60 per barrel.

Economic Indicators Released this Week	Reference Period	Month/Previous Month (M/M)	Month/Previous Year's Month (Y/Y)	Year-to-date ¹
Employment (thousands)	March			
Alberta	1,939	0.0%	5.1%	5.7%
Canada	16,798	0.3%	2.4%	2.4%
Building Permits (\$ Million)	February			
Alberta	997	-15.1%	6.6%	23.7%
Canada	4,862	-22.4%	3.9%	19.5%
Rigs Drilling	March			
Alberta	293	-34.6%	-45.8%	-25.1%

Source: Statistics Canada

¹Year-to-date 2007 compared to the same period in 2006.